STATE OF CALIFORNIA

BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: Hilton Stewart Bank 6728 Sepulveda Blvd., #243 Van Nuys, CA 91411

DESIST AND REFRAIN ORDER

(For violations of section 25230 of the Corporations Code)

The California Corporations Commissioner ("Commissioner") finds that:

- 1. At all relevant times, Hilton Stewart Bank ("Bank"), was an individual residing in the state of California.
- 2. Beginning in or about February 2005, Bank directed a series of securities transactions in an on-line brokerage account at TD Waterhouse Investor Services, Inc. (presently "TD Ameritrade"). This brokerage account belonged to an acquaintance of Bank. The acquaintance, a California resident, voluntarily gave Bank certain of his personal information. Bank used this information to access the account and to direct the trades. The acquaintance had no knowledge of what specific trades were being made until after Bank made them. After directing the trades, Bank demanded payment from the acquaintance for his services in making the trades.
- 3. Bank, by directing trades in the account of another person for compensation, was an investment adviser within the meaning of California Corporations Code section 25009. Pursuant to Corporations Code section 25230, Bank was required to obtain a certificate from the Commissioner to conduct business as an investment adviser in California.
- 4. The Commissioner has no record of having received an application from, or having granted an investment adviser certificate to Hilton Stewart Bank.

Based upon the foregoing, the Commissioner is of the opinion that Hilton Stewart Bank has conducted business as an investment adviser in this state without having first applied for and secured from the Commissioner a certificate, authorizing him to act in that capacity, in violation of section 25230 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate Securities Law of 1968, Hilton Stewart Bank is hereby ordered to desist and refrain from conducting business as an investment adviser in this state unless and until he has applied for and secured from the Commissioner a certificate, then in effect, authorizing him to act in that capacity. This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: December 27, 2006 Los Angeles, California

> PRESTON DuFAUCHARD California Corporations Commissioner

By______ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division